

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:

Chapter 11

W.R. GRACE & Co., et al.,

Case No. 01-01139 (JKF)
(Jointly Administered)

Debtors

FIFTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM JUNE 1, 2002 THROUGH JUNE 30, 2002)

Name of Applicant:	FTI Policano & Manzo
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	June 21, 2001
Period for which compensation and reimbursement is sought:	June 1, 2002 through June 30, 2002
Amount of Compensation sought as actual, reasonable and necessary (80% of \$43,359.00):	\$34,687.20
Amount of Expense Reimbursement sought as actual, reasonable and necessary (100%):	\$ 1,381.59
This is an: <u> X </u> interim <u> </u> final application	

The total time expended for fee application preparation is approximately 28.5 hours and corresponding compensation requested is approximately \$10,032.50. The time expended included approximately 12.7 hours spent on preparation of the thirteenth and fourteenth interim fee applications, and approximately 15.8 hours spent reading, analyzing and responding to questions of the fee auditor.

This is the FIFTEENTH application filed. Disclosure for prior periods and current period is as follows:

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(FOR THE PERIOD FROM JUNE 1, 2002 THROUGH JUNE 30, 2002)

**ATTACHMENT A
TO FEE APPLICATION**

Date Filed (on or about)	Period Covered	Requested			
		Fees (100%)	Expenses (100%)	Fees	Expenses
June 28, 2001	April 20, 2001 through April 30, 2001	\$16,008.00	\$667.95	\$12,806.40 (80% of requested fees)	\$667.95
June 28, 2001	May 1, 2001 through May 31, 2001	\$104,081.50	\$2,513.09	\$83,265.20 (80% of requested fees)	\$2,513.09
July 28, 2001	June 1, 2001 through June 30, 2001	\$75,916.00	\$3,913.13	\$60,732.80 (80% of requested fees)	\$3,913.13
August 28, 2001	July 1, 2001 through July 31, 2001	\$71,989.50	\$3,871.54	\$57,591.60 (80% of requested fees)	\$3,871.14
September 28, 2001	August 1, 2001 through August 31, 2001	\$70,425.00	\$1,092.45	\$56,340.00 (80% of requested fees)	\$1,092.45
October 30, 2001	September 1, 2001 through September 30, 2001	\$104,816.50	\$3,028.40	\$83,853.20 (80% of requested fees)	\$3,028.40
November 29, 2001	October 1, 2001 through October 31, 2001	\$42,643.00	\$3,670.86	\$34,114.40 (80% of requested fees)	\$3,670.86
December 28, 2001	November 1, 2001 through November 30, 2001	\$50,048.50	\$1,864.72	\$40,038.80 (80% of requested fees)	\$1,864.72
January 28, 2002	December 1, 2001 through December 31, 2001	\$53,986.50	\$1,005.29	\$43,189.20 (80% of requested fees)	\$1,005.29
February 28, 2002	January 1, 2002 through January 31, 2002	\$63,207.00	\$2,549.70	\$50,565.60 (80% of requested fees)	\$2,549.70
March 28, 2002	February 1, 2002 through February 28, 2002	\$27,249.50	\$1,874.43	\$21,799.60 (80% of requested fees)	\$1,874.43

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ATTACHMENT A
TO FEE APPLICATION

Requested					
Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees	Expenses
April 28, 2002	March 1, 2002 through March 31, 2002	\$106,680.50	\$1,919.09	\$85,344.40 (80% of requested fees)	\$1,919.09
May 29, 2002	April 1, 2002 through April 30, 2002	\$102,314.00	\$4,657.40	\$81,851.20 (80% of requested fees)	\$4,657.40
June 28, 2002	May 1, 2002 through May 31, 2002	\$50,027.00	\$2,207.14	\$40,021.60 (80% of requested fees)	\$2,207.14
July 29, 2002	June 1, 2002 through June 30, 2002	\$43,359.00	\$1,381.59	\$34,687.20 (80% of requested fees)	\$1,381.59

FIFTEENTH INTERIM APPLICATION OF FTI POLICANO & MANZO,
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(FOR THE PERIOD FROM JUNE 1, 2002 THROUGH JUNE 30, 2002)

**ATTACHMENT B
TO FEE APPLICATION**

Name of Professional Person	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
E. Ordway	\$550	8.8	\$4,840.00
S. Cunningham	\$440	20.1	\$8,844.00
C. Whitney	\$375	21.0	\$7,875.00
W. Gilligan	\$375	26.2	\$9,825.00
L. Hamilton	\$350	29.2	\$10,220.00
J. Schwendeman	\$325	1.0	\$325.00
B. Rosenbaum	\$175	0.5	\$87.50
M. DeSalvio	\$175	0.7	\$122.50
M. Hakoun	\$150	7.3	\$1,095.00
D. Policano	\$125	1.0	\$125.00
Grand Total:		115.8	\$43,359.00
Blended Rate:	\$374		

COMPENSATION BY PROJECT CATEGORY

Task Code	Project Category	Total Hours	Total Fees
12	Business Analysis	74.1	\$27,439.50
17	Committee Matters and Creditor Meetings	13.2	\$5,887.00
18	Compensation of Professionals	28.5	\$10,032.50
	Total	115.8	\$43,359.00

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EXPENSE SUMMARY

Expense Category	Total Expenses
Copies	\$179.70
Telecommunications	\$41.70
Postage, Express Delivery	\$155.19
Travel Expenses	\$45.00
Document Preparation and Handling Services	\$960.00
Total	\$1,381.59

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W.R. GRACE & CO. ET. AL.
 Summary of Fees by Professional
 For the period June 1, 2002 through June 30, 2002

	<u>Total Hours</u>	<u>Billing Rate</u>	<u>Amount</u>
E. Ordway	8.8	\$ 550	\$ 4,840.00
S. Cunningham	20.1	\$ 440	8,844.00
C. Whitney	21.0	\$ 375	7,875.00
W. Gilligan	26.2	\$ 375	9,825.00
L. Hamilton	29.2	\$ 350	10,220.00
J. Schwendeman	1.0	\$ 325	325.00
B. Rosenbaum	0.5	\$ 175	87.50
M. DeSalvio	0.7	\$ 175	122.50
M. Hakoun	7.3	\$ 150	1,095.00
D. Policano	1.0	\$ 125	125.00
TOTAL	<u>115.8</u>		<u>\$ 43,359.00</u>

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W.R. GRACE & CO. ET. AL.
Summary of Hours by Category
For the period June 1, 2002 through June 30, 2002

Rate	Fees Per Professional	Task Code	Business Analysis (primarily for accountants and financial advisors)	Committee Matters and Creditor Meetings	Compensation of Professionals (Fee Applications of self and others)	TOTAL
			12	17	18	
\$ 550	\$ 4,840.00	E. Ordway	\$ 3,190.00	\$ 1,155.00	\$ 495.00	4,840.0
\$ 440	\$ 8,844.00	S. Cunningham	4,972.00	3,872.00	-	8,844.00
\$ 375	\$ 7,875.00	C. Whitney	7,875.00	-	-	7,875.00
\$ 375	\$ 9,825.00	W. Gilligan	9,000.00	825.00	-	9,825.00
\$ 350	\$ 10,220.00	L. Hamilton	770.00	35.00	9,415.00	10,220.00
\$ 325	\$ 325.00	J. Schwendeman	325.00	-	-	325.00
\$ 175	\$ 87.50	B. Rosenbaum	87.50	-	-	87.50
\$ 175	\$ 122.50	M. DeSalvio	-	-	122.50	122.50
\$ 150	\$ 1,095.00	M. Hakoun	1,095.00	-	-	1,095.00
\$ 125	\$ 125.00	D. Policano	125.00	-	-	125.00
		Totals	\$ 27,439.50	\$ 5,887.00	\$ 10,032.50	\$ 43,359.00

InvoiceW.R. GRACE & CO. ET. AL.

Summary of Hours by Category

For the period June 1, 2002 through June 30, 2002

Rate	Fees Per Professional	Task Code	Business Analysis (primarily for accountants and financial advisors)	Committee Matters and Creditor Meetings	Compensation of Professionals (Fee Applications of self and others)	TOTAL
			<u>12</u>	<u>17</u>	<u>18</u>	<u>TOTAL</u>
\$ 550	\$ 4,840.00	E. Ordway	5.8	2.1	0.9	8.8
\$ 440	\$ 8,844.00	S. Cunningham	11.3	8.8	0.0	20.1
\$ 375	\$ 7,875.00	C. Whitney	21.0	0.0	0.0	21.0
\$ 375	\$ 9,825.00	W. Gilligan	24.0	2.2	0.0	26.2
\$ 350	\$ 10,220.00	L. Hamilton	2.2	0.1	26.9	29.2
\$ 325	\$ 325.00	J. Schwendeman	1.0	0.0	0.0	1.0
\$ 175	\$ 87.50	B. Rosenbaum	0.5	0.0	0.0	0.5
\$ 175	\$ 122.50	M. DeSalvio	0.0	0.0	0.7	0.7
\$ 150	\$ 1,095.00	M. Hakoun	7.3	0.0	0.0	7.3
\$ 125	\$ 125.00	D. Policano	1.0	0.0	0.0	1.0
\$ 43,359.00 Totals			74.1	13.2	28.5	115.8

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W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Edwin N. Ordway, Jr.
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
5-Jun	18	Prepared fee application.	0.9
10-Jun	17	Called Chair to discuss case status and next steps.	0.3
	12	Prepared and edited report regarding first quarter operating performance.	0.5
11-Jun	12	Read and analyzed counsel's memo regarding fraudulent conveyance issues.	0.8
13-Jun	12	Read and analyzed monthly trustee report.	1.1
	12	Prepared memo and analysis regarding fraudulent conveyance issues.	0.7
14-Jun	12	Prepared and edited updated report for the Committee regarding current proposal for modification to KERP.	0.8
	17	Called a Committee member to discuss case status.	0.3
18-Jun	12	Read fee auditor letter and directed staff to prepare response.	0.5
	17	Called Chair to discuss fee auditor correspondence and status of KERP negotiations.	0.3
	12	Read and analyzed public documents regarding Sealed Air transaction.	0.7
24-Jun	12	Prepared for meeting by reviewing relevant motions regarding fraudulent conveyance actions.	0.7
	17	Participated in conference calls with counsel and the Committee to discuss Committee's role in fraudulent conveyance action.	1.2
Total Hours - June			<u><u>8.8</u></u>

Invoice

W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Sean Cunningham
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
5-Jun	12	Prepared analysis of proposed changes to Debtors' KERP and compared plan to that of other asbestos liability companies.	1.3
6-Jun	12	Prepared analysis of Q1 financial results compared to plan.	1.4
7-Jun	12	Continued to prepare analysis of Q1 financial results compared to plan.	1.7
	12	Read and analyzed legal update regarding fraudulent conveyance issues.	0.5
11-Jun	12	Read and edited draft report to Committee regarding Q1 financial performance compared to plan.	1.5
13-Jun	12	Read and analyzed draft motion containing changes to KERP and compared data to Committee recommendations.	1.0
	17	Discussed retention plan modifications with Debtors' advisor.	0.5
	12	Prepared comparative analysis of modifications to retention plan compared to Debtors' original proposal in preparation for meeting with Chair.	1.0
14-Jun	17	Discussed Debtors' proposed modifications to retention plan with Chair and counsel.	1.4
	17	Discussed open information request regarding EPA issues with Chair and counsel.	0.4
17-Jun	17	Discussed terms of Debtors' proposed modification to KERP with Debtors' management.	1.9
	17	Discussed proposed language regarding retention terminations with Chair and counsel.	0.8
20-Jun	17	Discussed Committee's recommendation regarding KERP with Debtors' financial advisor.	0.5
	17	Updated Chair regarding KERP open issues.	0.5
22-Jun	12	Read and analyzed previously filed motions and updates regarding fraudulent conveyance.	2.0

	17	Discussed with counsel various options available to the Committee pertaining to level of participation in legal action with respect to fraudulent conveyance cases.	0.5
24-Jun	12	Prepared analysis and update of fraudulent conveyance issues in preparation for Committee call. Read and analyzed counsel's update on recent fraudulent conveyance rulings.	0.7
25-Jun	17	Participated in conference call with counsel in preparation for call with Committee to discuss recommendation as to participation level in fraudulent conveyance litigation.	0.8
	17	Participated in Committee call to discuss fraudulent conveyance strategy.	1.5
30-Jun	12	Read and analyzed changes to retention level payouts and change of control language proposed by the Debtors in their KERP motion.	0.2
Total Hours - June			<u><u>20.1</u></u>

Invoice

W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Christina Whitney
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
3-Jun	12	Prepared summary of key issues impacting first quarter performance based on discussions with the Debtors.	2.1
5-Jun	12	Edited draft of report on first quarter operating performance.	3.8
7-Jun	12	Edited draft of the report on first quarter operating performance and updated report for findings pertaining to the proposed GBT divestiture and status of pending acquisitions.	3.5
9-Jun	12	Edited draft of the report on first quarter operating performance and prepared a liquidity analysis for inclusion in the report.	6.2
11-Jun	12	Incorporated reviewer's comments into the report on first quarter operating performance and distributed the report to the Committee.	2.6
12-Jun	12	Prepared an e-mail to the Debtors' financial advisors regarding inclusion of the impact of the Debtors' recent agreement with Exxon in the 2002 business plan.	2.8
Total Hours - June			<u><u>21.0</u></u>

Invoice

W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Walter Gilligan
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
3-Jun	12	Prepared analysis of Debtors' first quarter operating results.	3.5
4-Jun	12	Continued to prepare analysis of Debtors' first quarter operating results.	3.5
7-Jun	12	Read and analyzed first quarter financial performance of Debtors' peers.	0.8
10-Jun	12	Continued to prepare analysis of Debtors' first quarter operating results.	1.2
	12	Prepared analysis of Debtors' motion regarding changes and extensions to their KERP.	1.8
12-Jun	12	Prepared summary of Debtors' motion regarding changes to the KERP.	1.4
13-Jun	12	Continued to prepare summary of Debtors' motion regarding changes to the KERP.	2.5
19-Jun	12	Read Debtors' motion regarding proposed changes to KERP and updated analysis.	2.0
21-Jun	12	Updated summary of Debtors' motion regarding proposed changes to KERP.	1.5
24-Jun	12	Drafted memo to the Committee regarding Debtors' retention compensation motion.	2.5
	17	Participated in conference call regarding status update on Debtors' participation in a fraudulent conveyance lawsuit.	2.2
26-Jun	12	Participated in call regarding update on Committee memos on revised KERP.	1.1
27-Jun	12	Read and edited memo to Committee on revised KERP.	1.2
28-Jun	12	Read and analyzed fraudulent conveyance issue information related to Debtors' pending case.	1.0
Total Hours - June			<u><u>26.2</u></u>

Invoice

W.R. GRACE & CO. ET. AL.
Professional Services Rendered by Libby Hamilton
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
3-Jun	18	Prepared April fee application.	0.9
6-Jun	18	Continued to prepare April fee application.	1.1
14-Jun	18	Prepared May fee application.	3.7
	12	Read and prepared summary of recent news articles reporting on various issues of Debtors.	0.8
	12	Obtained, read and analyzed current topical motions and orders after reviewing latest court docket listing.	0.2
17-Jun	18	Continued to prepare May fee application.	0.8
19-Jun	12	Read and analyzed portions of Debtors' Q1 2002 operating results report.	1.2
	18	Continued to prepare May fee application.	0.5
	18	Discussed draft of fee auditor's report with colleagues.	2.1
	17	Discussed draft of fee auditor's report with counsel.	0.1
	18	Prepared response to fee auditor's draft report.	2.8
20-Jun	18	Continued to prepare response to fee auditor's draft report.	6.9
	18	Continued to prepare May fee application.	0.6
21-Jun	18	Continued to prepare response to fee auditor's draft report.	1.0
25-Jun	18	Continued to prepare May fee application.	1.8
	18	Continued to prepare response to fee auditor's draft report.	1.2
26-Jun	18	Continued to prepare May fee application.	1.8
28-Jun	18	Finalized response to fee auditor's draft report.	1.7
Total Hours - June			<u><u>29.2</u></u>

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W.R. GRACE & CO. ET. AL.

Professional Services Rendered by Jeffrey E. Schwendeman

For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
26-Jun	12	Analyzed recent news and industry trade reports relating to recent asbestos litigation negotiations for the Debtors and competitors.	1.0
		Total Hours - June	<u><u>1.0</u></u>

Invoice

W.R. GRACE & CO. ET.AL.

Professional Services Rendered by Benjamin Rosenbaum

For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
30-Jun	12	Reviewed recent analyst reports of Debtors' competitors.	0.5
		Total Hours - June	<u><u>0.5</u></u>

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W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Moira DeSalvio
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
3-Jun	18	Read and analyzed detail to assist in preparation of fee application.	0.7
	Total Hours - June		<u><u>0.7</u></u>

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W.R. GRACE & CO. ET.AL.
Professional Services Rendered by Matt Hakoun
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
11-Jun	12	Updated virtual database and printed and distributed selected court docket items.	1.5
19-Jun	12	Gathered information on companies that have filed for bankruptcy and have been involved in fraudulent conveyance cases.	1.5
26-Jun	12	Continued researching fraudulent conveyance cases and terms of settlement.	1.3
27-Jun	12	Met with case team members to discuss findings of fraudulent conveyance cases.	0.3
	12	Updated virtual database and printed and distributed selected court docket items.	1.2
28-Jun	12	Gathered and distributed current news articles and analyst reports on asbestos litigation and fraudulent conveyance.	1.5
	Total Hours - June		<u><u>7.3</u></u>

Invoice

W.R. GRACE & CO. ET.AL.
Professional Services Rendered by David Policano
For the period June 1, 2002 through June 30, 2002

<u>Date</u>	<u>Task Code</u>	<u>Description</u>	<u>Hours</u>
24-Jun	12	Updated virtual database.	1.0
	Total Hours - June		<u>1.0</u>

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W.R. GRACE & CO. ET. AL.

Summary of Expenses by Type of Expense

For the period June 1, 2002 through June 30, 2002

Copies:	
Internal	\$ 179.70
External	-
Telecommunications:	
Telephone	-
Toll Charges	17.70
Facsimile	24.00
Postage, Federal Express, Airborne	155.19
Travel Expenses:	
Transportation, lodging, tolls and parking	45.00
Meals	-
Document Preparation and Handling Services	960.00
Total Expenses	<u>\$ 1,381.59</u>

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W.R. GRACE & CO. ET. AL.
 Detail of Expenses by Type of Expense
 For the period June 1, 2002 through June 30, 2002

<u>Copies, Internal</u>	1,198	pages @ \$0.15/page:	\$	179.70
<u>Facsimile Charges:</u>	24	pages @ \$1.00/page:		24.00
<u>Telephone Charges:</u>				-
<u>Toll Charges:</u>	Online research fees			17.70
<u>Postage, Federal Express:</u>	Airborne			155.19
<u>Transportation, lodging, tolls and parking:</u>				
	S. Cunningham	30-Jun		45.00
<u>Meals:</u>				-
<u>Document Preparation and Handling Services:</u>				
	N. Backer	11.8 hours @ \$75/hour:	885.00	
	E. Polukord	1.0 hours @ \$75/hour:	75.00	
	Subtotal			960.00
	Total			<u>\$ 1,381.59</u>